

Appropriations Committee
February 16, 2017

Comments Regarding the Governor's Human Services Budget Proposal

Written Testimony Submitted by Janine Fay, CEO VNA Community Healthcare

Sen. Formica, Sen. Osten, Rep. Walker, and members of the Appropriations Committee, I am CEO of a licensed and Medicare certified home health agency serving New Haven and Middlesex Counties. We serve thousands of Medicaid patients a year. As you know, providing healthcare in the home setting is the most cost effective approach to long term care. Over the next few months your committee has the daunting task of finding the best alternatives in the Governor's proposed budget. Part of the Medicaid proposals seek to decrease Medicaid eligibility and benefits which will have a trickledown effect to many provider groups. Connecticut has made great progress in providing health care to those in need and we risk going backwards if some of these proposals go forward.

Currently the Governor's budget does not propose any cuts to home health providers. I want to emphasize how important this is. This past year the behavioral health medication administration rate cut amounted to a \$700,000 reduction to my individual agency. On top of that the Dept. of Social Services is mandating use of an electronic visit verification system that will increase our costs significantly. We are estimating this increase in year one alone to be \$150,000 due to the functionality of the system and the fact we must run duplicate systems (we already use an electronic system). We simply cannot afford to continue serving the Medicaid population with such reductions in reimbursement. While the Commissioner of the Dept. of Social Services has stated that there is no access to care issue I can tell you that I have opened the discussion of reducing admissions of Medicaid patients with our Board of Directors. I have also been told by colleagues they are having similar discussions in their organizations. As a nonprofit organization with a mission to serve all this is not an option we wish to take, however we must prioritize sustainability of the organization.

The home health industry has already demonstrated savings to the State of CT of over 100 million dollars in the past year. While I appreciate there are no "good" answers to Connecticut's budget crisis I ask that you hold to the premise that further cuts to the home health industry will not be a solution. A strong home healthcare provider network is a necessity if we are to care for our rapidly aging society.